

IC 6-9-7

Chapter 7. Tippecanoe County Innkeeper's Tax

IC 6-9-7-1

Application of chapter

Sec. 1. This chapter applies to a county having a population of more than one hundred forty-eight thousand (148,000) but less than one hundred seventy thousand (170,000).

As added by Acts 1978, P.L.50, SEC.1. Amended by Acts 1982, P.L.1, SEC.14; P.L.12-1992, SEC.39; P.L.170-2002, SEC.36.

IC 6-9-7-2

Convention and visitor commission; creation

Sec. 2. (a) There is created a ten (10) member convention and visitor commission (referred to as the "commission" in this chapter) whose purpose is to promote the development and growth of the convention and visitor industry in the county.

(b) The county council shall, by majority vote, appoint three (3) members of the commission, at least one (1) of whom must be engaged in the hotel or motel business in the county, at least one (1) of whom must be a representative of the travel or visitor industry in the county, and at least one (1) of whom must be a member of the county council. The county commissioners shall, by majority vote, appoint three (3) members of the commission, at least one (1) of whom must be engaged in the hotel or motel business in the county, at least one (1) of whom must be a county commissioner, and at least one (1) of whom must be a representative of the county's business community which representative may be an executive officer of the chamber of commerce of the county's largest city. The members appointed by the council and the commissioners shall, by a majority vote, appoint one (1) member of the commission from the Purdue conferences department. The executive of the city with the greatest population in the county shall appoint two (2) members of the commission, one (1) who must be a representative of the economic development community and one (1) who must be a representative of the travel or visitor industry in the county. The executive of the city with the second greatest population in the county shall appoint one (1) member of the commission, who must be a representative of the travel or visitor industry.

(c) All terms of office begin on January 1 and end on December 31. Members of the commission appointed by the county council serve two (2) year terms, and members appointed by the county commissioners or by the other members of the commission serve one (1) year terms. A member whose term expires may be reappointed to serve another term. If a vacancy occurs, a qualified person shall be appointed by the original appointing authority to serve for the remainder of the term.

(d) A member of the commission may be removed for cause by his appointing authority.

(e) Members of the commission may not receive a salary.

However, commission members shall receive reimbursement for necessary expenses, but only when those necessary expenses are incurred in the performance of their respective duties. In addition, commission members may receive a maximum of thirty-five dollars (\$35) per diem expenses for attendance at the official commission meetings.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.85-1993, SEC.1.

IC 6-9-7-3

Powers and duties of commission

Sec. 3. (a) The commission may:

- (1) accept and use gifts, grants, and contributions from any public or private source, under terms and conditions which the commission deems necessary and desirable;
- (2) sue and be sued;
- (3) enter into contracts and agreements, including contracts and agreements not to exceed ten (10) years;
- (4) make rules and regulations necessary for the conduct of its business and the accomplishment of its purposes;
- (5) receive and approve, alter, or reject requests and proposals for funding by any nonprofit corporations or political subdivisions;
- (6) after its approval of a proposal, transfer money, quarterly or less frequently, from any available funds pursuant to section 7(b)(2) or 7(c)(1) of this chapter for the purpose of promotion and encouragement in the county of conventions, trade shows, visitors, or special events; and
- (7) require financial or other reports from any entity that receives funds under this chapter.

(b) A majority of the commission constitutes a quorum for the transaction of business, and the concurrence of a majority of those present is necessary to authorize any action. However, the commission shall not transact any business without first giving written notice to the director of the county parks and recreation board at least forty-eight (48) hours in advance of the convening of a meeting at which business is to be transacted.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986, SEC.1; P.L.85-1993, SEC.2.

IC 6-9-7-4

Expenses of commission; budget; expenditures

Sec. 4. All expenses of the commission shall be paid from the fund established in section 7 of this chapter. The commission shall annually prepare a budget and submit it to the county council for its review and approval. No expenditure under this chapter may be made unless it is pursuant to an appropriation made by the county council in the manner provided by law.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986, SEC.2.

IC 6-9-7-5

Report by entity receiving funds

Sec. 5. Any entity that receives funds under this chapter shall make a financial or other report upon request of the commission.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986, SEC.3.

IC 6-9-7-6

Tax on lodgings authorized; collection

Sec. 6. (a) The county council may levy a tax on every person engaged in the business of renting or furnishing, for periods of less than thirty (30) days, any room or rooms, lodgings, or accommodations in any commercial hotel, motel, inn, university memorial union, university residence hall, tourist camp, or tourist cabin located in a county described in section 1 of this chapter. The county treasurer shall allocate and distribute the tax revenues as provided in section 7 of this chapter.

(b) The tax may not exceed the rate of five percent (5%) on the gross retail income derived from lodging income only and shall be in addition to the state gross retail tax imposed under IC 6-2.5.

(c) The tax does not apply to gross retail income received in a transaction in which:

(1) a student rents lodgings in a university residence hall while that student participates in a course of study for which the student receives college credit from a state university located in the county; or

(2) a person rents a room, lodging, or accommodations for a period of thirty (30) days or more.

(d) The county fiscal body may adopt an ordinance to require that the tax be reported on forms approved by the county treasurer and that the tax shall be paid monthly to the county treasurer. If such an ordinance is adopted, the tax shall be paid to the county treasurer not more than twenty (20) days after the end of the month the tax is collected. If such an ordinance is not adopted, the tax shall be imposed, paid, and collected in exactly the same manner as the state gross retail tax is imposed, paid, and collected under IC 6-2.5.

(e) All of the provisions of IC 6-2.5 relating to rights, duties, liabilities, procedures, penalties, definitions, exemptions, and administration shall be applicable to the imposition and administration of the tax imposed by this section, except to the extent those provisions are in conflict or inconsistent with the specific provisions of this chapter or the requirements of the county treasurer. If the tax is paid to the department of state revenue, the return to be filed for the payment of the tax under this section may be either a separate return or may be combined with the return filed for the payment of the state gross retail tax as the department of state revenue may, by rule, determine.

(f) If the tax is paid to the department of state revenue, the amounts received from the tax imposed under this section shall be paid quarterly by the treasurer of state to the county treasurer upon

warrants issued by the auditor of state.

As added by Acts 1978, P.L.50, SEC.1. Amended by Acts 1979, P.L.82, SEC.7; P.L.97-1983, SEC.4; P.L.74-1986, SEC.4; P.L.108-1987, SEC.8; P.L.85-1993, SEC.3; P.L.67-1997, SEC.8.

IC 6-9-7-7

Innkeeper's tax fund; expenditures

Sec. 7. (a) The county treasurer shall establish an innkeeper's tax fund. The treasurer shall deposit in that fund all money received under section 6 of this chapter.

(b) Money in the innkeeper's tax fund shall be expended in the following order:

(1) Through July 1999, not more than the revenue needed to service bonds issued under IC 36-10-3-40 through IC 36-10-3-45 and outstanding on January 1, 1993, may be used to service bonds. The county auditor shall make a semiannual distribution, at the same time property tax revenue is distributed, to a park and recreation district that has issued bonds payable from a county innkeeper's tax. Each semiannual distribution must be equal to one-half (1/2) of the annual principal and interest obligations on the bonds. Money received by a park and recreation district under this subdivision shall be deposited in a special fund to be used to service the bonds. During August 1999 the money that had been set aside to cover bond payments that remains after the bonds have been retired plus sixty percent (60%) of the tax revenue during August 1999 through December 1999 shall be distributed to the county treasurer to be used by the county park board, subject to appropriation by the county fiscal body.

(2) To the commission for its general use in paying operating expenses and to carry out the purposes set forth in section 3(a)(6) of this chapter. However, the amount that may be distributed under this subdivision during any particular year may not exceed the proceeds derived from an innkeeper's tax of two percent (2%) through December 1999 and fifty percent (50%) of the tax revenue beginning January 2000 and continuing through December 2014.

(3) For the period beginning July 1, 2002, through December 2014, fifty percent (50%) of the revenue to the county treasurer to be credited by the treasurer to a special account. The county treasurer shall distribute money in the special account as follows:

(A) Seventy-five percent (75%) of the money in the special account shall be distributed to the department of natural resources for the development of projects in the state park on the county's largest river, including its tributaries.

(B) Twenty-five percent (25%) of the money in the special account shall be distributed to a community development corporation that serves a metropolitan area in the county that includes:

- (i) a city having a population of more than fifty-five thousand (55,000) but less than fifty-nine thousand (59,000); and
- (ii) a city having a population of more than twenty-eight thousand seven hundred (28,700) but less than twenty-nine thousand (29,000);

for the community development corporation's use in tourism, recreation, and economic development activities. For the period beginning July 1, 2002, and continuing through December 2006, the community development corporation shall provide not less than forty percent (40%) of the money received from the special account under this clause as a grant to a nonprofit corporation that leases land in the state park described in this subdivision for the nonprofit corporation's use in noncapital projects in the state park.

Money in the special account may not be used for any other purpose. The money credited to the account that has not been used as specified in this subdivision by January 1, 2015, shall be transferred to the commission to be used to make grants as provided in subsection (c)(2).

(c) Money in the innkeeper's tax fund subject to appropriation by the county council shall be allocated and distributed after December 2014 as follows:

(1) Fifty percent (50%) of the revenue to the commission for the commission's general use in paying operating expenses and to carry out the purposes set forth in section 3(a)(6) of this chapter.

(2) The remainder to the commission to be used solely to make grants for the development of recreation and tourism projects. The commission shall establish and make public the criteria that will be used in analyzing and awarding grants. At least ten percent (10%) but not more than fifteen percent (15%) of the grants may be awarded for noncapital projects. Grants may be made only to the following entities upon application by the executive of the entity:

(A) The county for deposit in a special account.

(B) The most populated city in the county for deposit in a special account.

(C) The second most populated city in the county for deposit in a special account.

(D) The Tippecanoe County Wabash River parkway commission, but only so long as the interlocal agreement among the political subdivisions listed in clauses (A) through (C) is in effect. Money received by the parkway commission shall be segregated in a special account.

(d) Money credited to special accounts under subsection (c)(2) shall be used only for recreation or tourism projects, or both.

As added by Acts 1978, P.L.50, SEC.1. Amended by P.L.74-1986, SEC.5; P.L.85-1993, SEC.4; P.L.178-2002, SEC.77.

IC 6-9-7-8**Transfer and use of funds restricted; offenses**

Sec. 8. (a) Any member of the commission who approves the transfer of funds to any person or corporation not qualified under this chapter for that transfer, or who approves a transfer for a purpose not permitted under this chapter commits a Class D felony.

(b) Any person or officer or employee of a corporation, who receives a transfer of funds under this chapter, and who uses those funds for any purpose other than a proposal approved by the commission commits a Class D felony.

As added by Acts 1978, P.L.50, SEC.1.